

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

IN RE:

Warren A. Royea, Sr.	:	Bankruptcy No.: 1:08-02603
Gail M. Royea	:	
Debtors	:	Chapter 13

MOTION TO INCUR DEBT

AND NOW, comes the Debtors, Warren A. Royea, Sr. and Gail M. Royea, by and through counsel, DeArmond & Associates, and states the following in support of this Motion to Incur Debt:

1. Debtors filed a Chapter 13 bankruptcy petition on or about July 24, 2008.
2. Debtors' present automobile, a 2007 Hyundai Tucson GLS, having been purchased within 910 days of the date of the filing of the petition in this case, cannot be crammed down and the monthly payment would be a financial hardship to the Debtor. The lender, Americredit filed for Relief from the Stay and said action was settled by Stipulation. On March 4, 2009, Americredit filed a Certificate of Default of the Stipulation. The 2007 Hyundai Tucson GLS will be surrendered.
3. A motor vehicle is essential to the success of the Debtors' case.
4. McNamara Auto Sales has approved a 24 month loan of \$7,300.00 to the Debtors at a contract interest rate of 19.9% to be repaid in weekly installments of \$85.22 for the purchase of a 2003 Pontiac Bonneville from McNamara Auto Sales. A copy of a Motor Vehicle Installment Sale Contract is attached hereto as Exhibit "A."
5. All payments by Debtors to McNamara Auto Sales on the aforementioned loan will be made outside of the Chapter 13 Plan.
6. Moreover, the Debtors have agreed to amend their Chapter 13 Plan in the amount of \$500.00 for the benefit of the Debtors an Order granting the Debtors the right to incur debt for a certain motor vehicle. Such compensation being in addition to the previously disclosed and being for services rendered beyond the scope of the legal services to have been rendered for such compensation heretofore disclosed.

WHEREFORE, Debtor respectfully requests that this Honorable Court enter an Order authorizing Debtor to borrow the funds herein requested upon the terms herein set forth.

Respectfully submitted,
DeArmond & Associates

Date: **April 6, 2009**

By: **/s/ Keith B. DeArmond**
Keith B. DeArmond, Esquire
11 East Market St., 3rd Floor
York, PA 17401
(717) 846-3200